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HOUSE BILL 925

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Paul C. Bandy

AN ACT

RELATING TO TITLE INSURANCE; PROVIDING THAT CERTAIN TITLE  
INSURANCE POLICIES CONTAIN INFORMATION AS TO THE EXISTENCE OF  
MINERAL LEASES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 59A-30-1 NMSA 1978 (being Laws 1985,  
Chapter 28, Section 1) is amended to read:

"59A-30-1. SHORT TITLE.--~~[This article]~~ Chapter 59A,  
Article 30 NMSA 1978 may be cited as the "New Mexico Title  
Insurance Law".

Section 2. A new section of the New Mexico Title  
Insurance Law is enacted to read:

"[NEW MATERIAL] NOTICE OF MINERAL LEASES.--No title  
insurance policy shall be issued unless the policy includes:

A. a copy of each recorded lease, recorded option

underscored material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1 to lease or recorded memorandum of the material terms of any  
2 lease or option to lease, for oil, gas or other minerals  
3 underlying any portion of the property that is the subject of  
4 the policy; and

5 B. a separate page containing a statement that the  
6 leases, options or memoranda included in the policy pursuant to  
7 Subsection A of this section constitute all of the recorded  
8 leases, options to lease or memoranda of leases for oil, gas or  
9 other minerals underlying any portion of the property that is  
10 the subject of the policy; or, if no such leases, options to  
11 lease or memoranda have been recorded, a statement to that  
12 effect. The page shall also contain a conspicuous statement  
13 that the policy does not insure title to the mineral estate and  
14 that the mineral estate may be vested, in whole or in part, in  
15 third parties."

16 Section 3. EFFECTIVE DATE.--The effective date of the  
17 provisions of this act is July 1, 2007.